



STATE PROCUREMENT OFFICE
NOTICE OF REQUEST FOR EXEMPTION
FROM HRS CHAPTER 103D

14 FEB 21 P2:27

STATE PROCUREMENT OFFICE
STATE OF HAWAII

TO: Chief Procurement Officer

FROM: High Technology Development Corporation (HTDC)
Name of Requesting Department

Pursuant to HRS § 103D-102(b)(4) and HAR chapter 3-120, the Department requests a procurement exemption for the following:

1. Describe the goods, services or construction:

This request is seeking an exemption from having to solicit for a vendor to manage the construction of a mechanical room and replacement chiller at the Maui Research and Technology Center (MRTC) and instead use the existing property management contractor to oversee the project. The project management services includes contracting and paying the appropriate consultants and contractors, obtaining the appropriate approvals and permits, purchasing the equipment and overseeing the project to completion. The project is budgeted at \$734,000 plus a project management fee of \$7,340 is to be paid due to the scope and added time required for the project. The Governor's approval to allot and expend the funds has been received.

Through a RFP process in FY12, Colliers International, Real Estate Management Services was selected to provide full service property management services, including small scale capital improvements to the center.

2. Vendor/Contractor/Service Provider:	Colliers International, Real Estate Management Services, LLC	3. Amount of Request:	\$ 741,340
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4. Term of Contract From:	3/15/2014	To:	6/30/2015	5. Prior SPO-007, Procurement Exemption (PE):
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6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:

The existing contractor has provided service since November 2011 and is very knowledgeable of the existing chiller, varying A/C needs of tenants, and possible modifications to the venting. It is not practicable nor advantageous to solicit and select another vendor to coordinate the project as the current property manager already has 1) responsibility and authority to manage day-to-day maintenance and improvement projects under the current contract, 2) knowledge of the A/C issues and needs, whereas a new contractor will have to be brought up to speed (possibly resulting in added time thus higher cost), 3) the experience and capability to manage a project of this capacity, 4) conceptual ideas of the needed features and controls for the chiller to meet the needs of different quadrants in the facility. Other reasons includes, 1) a selected contractor would need to work through the current property manager (responsible for overall facility needs) to get initial approvals which adds an added layer to the process and possible delays if there are differing opinions and 2) the 1% fee is estimated to be equal to or less than the market rate for this service. Inquiries with a couple architect/engineering firms provided estimates between \$10,000 - \$15,000 to oversee a project of this value and scope.

7. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor/service provider:

The existing property management contractor was selected through a RFP process in FY12. The existing property management contractor will be used to provide the project management services as it lends to continuity and smooth implementation of this project. The project has been discussed with the property management contractor, which wants to take on this project as it will assure future A/C reliability and enhanced functionality of the system. The project management contractor will obtain a minimum of three proposals for the various consultants, contractor and equipment vendors needed to complete for the project.

8. Identify the primary responsible staff person(s) conducting and managing this procurement. (Appropriate delegated procurement authority and completion of mandatory training required).

*Point of contact (Place asterisk after name of person to contact for additional information).

Name	Division/Agency	Phone Number	e-mail address
Len Higashi	HTDC	539-3814	len@htdc.org
Steve Sakuda	HTDC	539-3844	steves@htdc.org

*All requirements/approvals and internal controls for this expenditure is the responsibility of the department.
I certify that the information provided above is, to the best of my knowledge, true and correct.*



Department Head Signature

2/20/14

Date

For Chief Procurement Officer Use Only

Date Notice Posted:

2-24-14

Inquiries about this request shall be directed to the contact named in No. 8. Submit written objection to this notice to issue an exempt contract within seven calendar days or as otherwise allowed from date notice posted to:

state.procurement.office@hawaii.gov

Chief Procurement Officer (CPO) Comments:

Department has withdrawn this request.

☐ Approved

☐ Disapproved

☒ No Action Required

Chief Procurement Officer Signature

5/28/14

Date